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# Viewing cable 09PORTAUPRINCE591, HAITI PLEASED WITH PETROCARIBE AND SUMMIT

If you are new to these pages, please read an introduction on the <u>structure of a cable</u> as well as how to <u>discuss them</u> with others. See also the <u>FAQs</u>

### **Understanding cables**

Every cable message consists of three parts:

- The top box shows each cables unique reference number, when and by whom it originally was sent, and what its initial classification was.
- The middle box contains the header information that is associated with the cable. It includes information about the receiver(s) as well as a general subject.
- The bottom box presents the body of the cable. The opening can contain a more specific subject, references to other cables (<u>browse by origin</u> to find them) or additional comment. This is followed by the main contents of the cable: a summary, a collection of specific topics and a comment section.

To understand the justification used for the classification of each cable, please use this <u>WikiSource</u> article as reference.

### **Discussing cables**

If you find meaningful or important information in a cable, please link directly to its unique reference number. Linking to a specific paragraph in the body of a cable is also possible by copying the appropriate link (to be found at theparagraph symbol). Please mark messages for social networking services like Twitter with the hash tags **#cablegate** and a hash containing the reference ID e.g.

#### #09PORTAUPRINCE591.

Reference ID	Created	Released	Classification	Origin
09PORTAUPRINCE591	2009-06-19 19:21	2011-08-30 01:44	CONFIDENTIAL Et	mbassy Port Au Prince

Appears in these articles:

http://www.haitiliberte.com

http://bit.ly/mDfYBE

http://bit.ly/mcuO3r

VZCZCXRO4544
PP RUEHQU
DE RUEHPU #0591/01 1701921
ZNY CCCCC ZZH
P 191921Z JUN 09
FM AMEMBASSY PORT AU PRINCE
TO RUEHC/SECSTATE WASHDC PRIORITY 0071
INFO RUEHZH/HAITI COLLECTIVE PRIORITY
RUEHBR/AMEMBASSY BRASILIA PRIORITY 2341
RUEHSA/AMEMBASSY PRETORIA PRIORITY 2066
RUEHQU/AMCONSUL QUEBEC PRIORITY 1438
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUMIAAA/HQ USSOUTHCOM J2 MIAMI FL PRIORITY
RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 PORT AU PRINCE 000591

SIPDIS

STATE FOR WHA/CAR WHA/EPSC FOR FAITH CORNEILLE, ED MARTINEZ

EB/IFD STATE PASS TO USAID FOR LAC/CAR TREASURY FOR JEFFEREY LEVINE COMMERCE FOR SCOTT SMITH

E.O. 12958: DECL: 06/18/2019
TAGS: PGOV PREL ENRG EPET ECON POL EAID HA

SUBJECT: HAITI PLEASED WITH PETROCARIBE AND SUMMIT

REF: A. PORT AU PRINCE 00583

1B. 08 PORT AU PRINCE 01023

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Classified By: Charge d'Affaires Thomas C. Tighe for reasons 1.4 (a, d)

- 11. (SBU) Summary: The Sixth PetroCaribe Summit in St. Kitts on June 12 congratulated Haiti as the ''best payer'' out of 13 countries, having paid approximately USD 220 million to Venezuela. GOH sources confirm that Venezuela announced plans to finance and construct an oil refinery in Haiti projected to process 20,000 barrels per day. GOH officials say Haiti's parliament will soon ratify a tripartite agreement with Venezuela and Cuba that will decide on Haiti's use of a portion of its PetroCaribe revenues for social programs. Haiti's General Director of Monetization in the Ministry of Economy and Finance (the office responsible for Haiti,s PetroCaribe Fund) lauds the agreement and believes it should not be politicized. End summary.
- 12. (U) Minister of Foreign Affairs Alrich Nicholas stood in for President Preval at the Heads of State meeting at the 6th PetroCaribe Summit in St. Kitts on June 12 (Note: Per Ref. A, President Preval decided to remain in Haiti to continue minimum salary negotiations with Parliament and the private sector. End note) Minister of Finance Daniel Dorsainvil attended the Energy Ministers meeting at the summit on June 11. Director General of the Office of Monetization Michael Lecorps also attended the summit.
- 13. (SBU) General Director Lecorps told Econ/Poloff June 16 that the summit congratulated Haiti as the ''best payer'' out of 13 countries benefiting from the petroleum preference agreement. With the cost of a barrel of oil now below USD 80, Haiti currently pays 60 percent of its oil debt to Venezuela within 90 days of a shipment, and pays the remaining 40 percent under a long-term financing agreement at one percent interest. Haiti, to date, has paid approximately USD 220 million of its debt this year to Venezuela. As of April 30, Haiti's PetroCaribe account (after Haiti's withdrawal of USD 197 million for its emergency response to the 2008 hurricanes), had a balance of USD 58.5 million. On May 27, the Government of Haiti (GOH) announced that its total fuel imports under PetroCaribe, since the first shipment was received in March 2008, amounts to approximately USD 489 million. Haiti's long-term debt, payable over 17 to 25 years, amounts to approximately USD 240 million.
- 14. (SBU) Lecorps confirmed to Econ/PolOff June 15 press reports that Venezuela pledged again to construct an oil refinery in Haiti. (Note: Ref. B reported that Venezuela announced this project at the July 2008 PetroCaraibe Summit in Caracas. End note). Lecorps put its capacity at 20,000 bpd and the cost at USD 400 million. He added that the GoH's Office of Mines and Energy, within the Ministry of Public Works, needs to be more cooperative and help Venezuela identify three potential locations for the refinery.
- 15. (SBU) Lecorps stated that Haiti is not a member of Venezuela's Bolivarian Alternative of the Americas platform (ALBA). He did note, however, that a tripartite (Haiti-Venezuela-Cuba) energy cooperation agreement is waiting to be ratified by Parliament. According to Lecorps, the agreement's purpose is to decide how ten percent of funds from Haiti's PetroCaribe revenue would be spent on social programs in Haiti. Lecorps stated that PetroCaribe ''...is

very good for the country.'' He noted that Venezuelan-financed electricity generating plants are operating in Port-au-Prince, Gonaives and Cap Haitien and have led to longer hours of power in those areas. Haiti receives shipments of PetroCaribe fuel every two weeks. The next is expected on June 25-26. Lecorps asserted that Haiti is satisfied with the PetroCaribe agreement and that it should not be ''politicized.''

16. (C) Comment: PetroCaribe's generous financing terms make it a deal the GOH cannot refuse. The GOH continues discretely to express satisfaction with this program.

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However, the yet-to-be-ratified tripartite agreement would give Venezuela (and Cuba) a say over Haiti's use of a part of its PetroCaribe funds. Last October, this arrangement would have tied the GOH's hands in disaster response by requiring agreement from Havana and Caracas on Haiti use of PetroCaribe funds, which the GOH used for hurricane relief under state of emergency legislation (Refs B and C). In addition to three power plants already in operation and promises to modernize the airport in Cap Haitien, Venezuela's oil refinery project — implementation of which we still see as questionable — would expand Venezuelan and Cuban influence in Haiti. Post will continue to monitor and report on developments. End comment.

TIGHE